

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:325

ANSWERED ON:23.12.2004

PROPOSAL TO INCREASE FREIGHT

Adsul Shri Anandrao Vithoba;Mistry Shri Madhusudan Devram

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the railways has announced hike in their freight rates recently;
- (b) if so, the reasons for the same;
- (c) the details of items which have been affected by this increase;
- (d) whether the prices are likely to increase after hike in freight rates;
- (e) if so, the total revenue likely to be earned by the Government as a result of this hike;
- (f) whether the Government propose to review the above hike;
- (g) if so, the details thereof; and
- (h) if not, the reasons therefor?

Answer

MINISTER OF RAILWAYS (SHRI LALU PRASAD)

(a) to (h): A statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (h) STARRED QUESTION NO.325 BY SHRI MADHUSUDAN REDDY AND SHRI ANANDRAO V. ADSUL TO BE ANSWERED IN LOK SABHA ON 23.12.2004 REGARDING PROPOSAL TO INCREASE FREIGHT

(a) to (c): Yes, Sir. Freight rates of certain commodities namely Coal, Iron Ore, Limestone & Dolomite, Gypsum, Bauxite, Manganese Ore, Cement and Clinker have been increased recently to partially offset the increase in working expenses of Indian Railways due to increase in Diesel and Steel prices.

(d) The impact of increase in freight rates on prices is likely to be negligible.

(e) Around Rs. 400 crore of additional revenue is likely to be generated due to freight increase of these commodities during the current financial year.

(f) to (h): No, Sir. In view of the increase in working expenses of Indian Railways, it is not feasible to reduce the freight rates.